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09/425,471	10/22/1999	JULIE A. GESCHWENDER	FDC-0136-PUS	9603

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EXAMINER

GRAHAM, CLEMENT B

ART UNIT PAPER NUMBER

3628

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BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES

Paper No. 15

Application Number: 09/425,471  
Filing Date: 10/22/99  
Appellant(s): JULIE A. GESCHWENDER et al.

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James N. Kallis  
For Appellant

MAILED

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GROUP 3600

**EXAMINER'S ANSWER**

This is in response to appellant's brief on appeal filed 06/04/02.

(1) *Real Party in Interest*

A statement identifying the real party in interest is contained in the brief.

(2) *Related Appeals and Interferences*

The brief does not contain a statement identifying the related appeals and interferences which will directly affect or be directly affected by or have a bearing on the decision in the

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pending appeal is contained in the brief. Therefore, it is presumed that there are none. The Board, however, may exercise its discretion to require an explicit statement as to the existence of any related appeals and interferences.

**(3) *Status of Claims***

The statement of the status of the claims contained in the brief is correct.

**(4) *Status of Amendments After Final***

The appellant's statement of the status of amendments after final rejection contained in the brief is correct.

**(5) *Summary of Invention***

The summary of invention contained in the brief is correct.

**(6) *Issues***

The appellant's statement of the issues in the brief is correct.

**(7) *Grouping of Claims***

Appellant's brief includes a statement that claims 1-22, 24 and 27-30 stand or fall together, and provides reasons as set forth in 37 CFR 1.192(c)(7) and (c)(8).

**(8) *Claims Appealed***

The copy of the appealed claims contained in the Appendix to the brief is correct.

**(9) *Prior Art of Record***

The following is a listing of the prior art of record relied upon in the rejection of claims under appeal.

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Gopinathan et al. US Patent No. 5,819,226, 10/6/1998

Schott et al., "The plastic thier: preventing credit card fraud", Credit Union Executive, v35, n3, p16(8), May 15, 1995, Dialog file 148, Accession No. 07947406.

**(10) Grounds of Rejection**

The following ground(s) of rejection are applicable to the appealed claims:

***Claim Rejections - 35 USC § 103***

Claims 1-22 24 and 27-30 are rejected under 35 U.S.C. 103(a) as being unpatentable over Gopinathan (US Patent No. 5,819,226) in view of Schott (dialog file 148, accession no. 07947406) as set forth in paper No. 8.

**(11) Response to Argument**

Appellant generally argues that the combined teachings of Gopinathan and Schott failed to teach the claimed invention. The Examiner has cited relevant sections of the references and the Appellant has now presented arguments indicating the cited portions as failing to teach or suggest the claimed invention.

Appellant's presented arguments are not convincing. Appellant starts with the citation of column 28, lines 3-15 of Gopinathan et al.

Gopinathan discloses a real-time system for detecting purchasing card fraud during all phases of a purchasing card life cycle. During a real-time transaction, contact event information

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from a client are obtained. These contact information may be information related to the particular transaction. Note column 27, line 48 to column 28, line 24 of Gopinathan et al. Identification information such as customer's names, addresses and social security numbers are well known types of essential information usually obtained from customer's purchasing card for transmission to a remote center before authorization of the card is made during a particular transaction. Note column 27, line 48 to column 28, line 24, column 4, lines 20-24, column 6, lines 10-17. The contact information are then compared with fraud information used in known frauds and stored in a database to determine if there is a fraud match between the contact event information and the fraud information. Note column 27, line 48 to column 28, line 24; columns 25-26 of Gopinathan et al. Sending a fraud alert if there is a fraud match between the contact event information and the fraud information are taught on column 4, lines 37-43, column 3, lines 52-65 of Gopinathan. The alert signal is transmitted to the user which is either at the merchant's location or at the user's remote location where the transaction is initiated.

Appellant's arguments that Gopinathan et al does not teach or suggest using fraud information used in known frauds to determine if there is a fraud match between contact event information and the fraud information are not convincing. It is noted that Gopinathan et al uses customer's identification data in both an instant transaction and customer's profile. Gopinathan et al also uses transaction amount which may exceed a limit or value, number of transactions in particular day and many related known variables presented in columns 7 to column 18. If these known variables are not present, it would be unclear as to what data are used in the comparison

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functions. As appellant has stated, these are well known information related to fraud. Thus, even, if these information were not taught by Gopinathan, the skilled artisan would have been motivated to use these well information in a fraud prevention system as claimed in order to accurately prevent fraud.

Appellant then argues that Schott discloses fraud scorecards and fraud detection software but fails to teach or suggest whether the fraud scorecards and the fraud detection software uses fraud information known in used frauds.

In response, Schott discusses various softwares and many different methods that organizations and banks are using for preventing fraud in a purchasing transaction. Note the entire article. Schott also discusses detecting “fraudulent cardholder and merchant transaction patterns and relationships by comparing massive quantities of transaction data with hundreds of variables at the POS terminal”. (See page 5, first paragraph).. Schott also discloses “the major sources of credit card fraud are lost or stolen cards, counterfeit cards, mail fraud, fraudulent applicants, account takeovers and telephone fraud” see page 1, abstract. Schott also discloses “issuers can block spending authorization for a new card until the designated cardholder calls to verifying it. The caller provides security information corresponding to data stored in the issuer’s computer and gleaned from several sources the cardholder’s application, the credit bureau and other records”. See page 2, ninth paragraph.

Appellant’s arguments that the Examiner has not establish a prima facie case of obviousness are not convincing.

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In response, the Examiner has properly formulated the rejection and provided a prima facie case of obviousness as stated above and as found in the prior Office actions. *In re Fine*, 5 USPQ2d 1596 (CA FC 1988), the PTO can satisfy the burden under section 103 to establish a prima facie case of obviousness “by showing some objective teaching in the prior art **or** that **knowledge generally available to one of ordinary skill in the art** would lead that individual to combine the relevant teachings of the references.”.


Thus, it has been noted that Gopinathan teaches the obtaining and comparing steps and the sending of a fraud alert regarding a particular transaction at a point of sale. Gopinathan et al. teaches that the alert signal may be sent or transmitted to a remote device or a remote database. Transmitting such to the place where the transaction was initiated such as the merchant location would have been obvious to the skilled artisan in order to allow the merchant to deny/approve the transaction and also to inform the customer of the status of the purchasing card.

Schott also discloses before activating a card, a cardholder is asked to verify ownership of the card by having personal information being compared with remote sources or databases. Note the document. An alert signal is sent to the client denoting the status of the activation process. Thus, it would have been obvious to one of ordinary skill in the art to note that when the teachings of Gopinathan et al and Schott would have resulted in a purchasing card system which alert a client of possible fraud during a transaction.

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For the above reasons, it is believed that the rejections should be sustained.

Respectfully submitted,



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